



General Assembly

February Session, 2008

Raised Bill No. 5938

LCO No. 3478

03478_____FIN

Referred to Committee on Finance, Revenue and Bonding

Introduced by:
(FIN)

AN ACT CONCERNING THE ATTORNEY OCCUPATIONAL TAX.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Section 51-81b of the 2008 supplement to the general
2 statutes is repealed and the following is substituted in lieu thereof
3 *(Effective July 1, 2008, and applicable to calendar years commencing on or*
4 *after January 1, 2008):*

5 (a) Any person who has been admitted as an attorney by the judges
6 of the Superior Court shall annually on or before January fifteenth file
7 an annual return prescribed or furnished by the Commissioner of
8 Revenue Services. If any such person was engaged in the practice of
9 law in the year preceding the year in which an occupational tax is due
10 hereunder, such person, unless exempted under this section, shall
11 annually on or before January fifteenth pay to the Commissioner of
12 Revenue Services a tax in the amount of four hundred fifty dollars.
13 [Any] Except as provided in subsection (h) of this section, any person
14 who has been admitted as an attorney pro hac vice by a judge of the
15 Superior, Appellate or Supreme Court in accordance with the rules of
16 said court shall file such return and pay such tax as provided in this
17 subsection with respect to any year in which such person was

18 admitted pro hac vice and engaged in the practice of law in this state.

19 (b) Upon failure of any such person to pay the sum due hereunder
20 within thirty days of the due date, the provisions of section 12-35 shall
21 apply with respect to the enforcement of this section and the collection
22 of such sum. The warrant therein provided for shall be signed by the
23 commissioner or his authorized agent. The amount of any such tax,
24 penalty and interest shall be a lien, from the thirty-first day of
25 December next preceding the due date of such tax until discharged by
26 payment, against all real estate of the taxpayer within the state, and a
27 certificate of such lien signed by the commissioner may be filed for
28 record in the office of the clerk of any town in which such real estate is
29 situated, provided no such lien shall be effective as against any bona
30 fide purchaser or qualified encumbrancer of any interest in any such
31 property. When any tax with respect to which a lien has been recorded
32 under the provisions of this section has been satisfied, the
33 commissioner, upon request of any interested party, shall issue a
34 certificate discharging such lien, which certificate shall be recorded in
35 the same office in which the lien was recorded. Any action for the
36 foreclosure of such lien shall be brought by the Attorney General in the
37 name of the state in the superior court for the judicial district in which
38 the property subject to such lien is situated, or, if such property is
39 located in two or more judicial districts, in the superior court for any
40 one such judicial district, and the court may limit the time for
41 redemption or order the sale of such property or make such other or
42 further decree as it judges equitable.

43 (c) The Commissioner of Revenue Services shall notify the Chief
44 Court Administrator of the failure of any person to comply with the
45 provisions of this section and the Chief Court Administrator shall
46 notify the judges of the Superior Court of such failure.

47 (d) If any person fails to pay the amount of tax reported to be due
48 on such person's return within the time specified under the provisions
49 of this section, there shall be imposed a penalty of fifty dollars, which

50 penalty shall be payable to, and recoverable by, the commissioner in
51 the same manner as the tax imposed under this section. Subject to the
52 provisions of section 12-3a, the commissioner may waive all or part of
53 the penalties provided under this section when it is proven to his
54 satisfaction that the failure to pay any tax was due to reasonable cause
55 and was not intentional or due to neglect.

56 (e) If any tax is not paid when due as provided in this section, there
57 shall be added to the amount of the tax interest at the rate of one per
58 cent per month or fraction thereof from the date the tax became due
59 until it is paid.

60 (f) If the commissioner is satisfied beyond a reasonable doubt that
61 the failure to file a return or to pay the tax was due to reasonable cause
62 and was not intentional or due to neglect, he may abate or remit the
63 whole or any part of any penalty under this section.

64 (g) This section shall not apply (1) to any attorney whose name has
65 been removed from the roll of attorneys maintained by the clerk of the
66 superior court for the judicial district of Hartford, or (2) to any attorney
67 who has retired from the practice of law, provided the attorney shall
68 file written notice of retirement with the clerk of the superior court for
69 the judicial district of Hartford, or to any attorney who does not
70 engage in the practice of law as an occupation and receives less than
71 four hundred fifty dollars in legal fees or other compensation for
72 services involving the practice of law during any calendar year, or (3)
73 with respect to the tax due in any calendar year, to any attorney
74 serving on active duty with the armed forces of the United States for
75 more than six months in such year, or (4) to any attorney who provides
76 not less than five hours of pro bono legal activity, as provided in
77 subsection (i) of this section.

78 (h) No person shall be liable for payment of the occupational tax
79 under this section solely by virtue of such person having engaged in
80 the practice of law in this state while acting as an employee of [the] this
81 or another state, any political subdivision of the state or any probate

82 court.

83 (i) To qualify for the exemption from payment of the occupational
 84 tax provided in subdivision (4) of subsection (g) of this section, an
 85 attorney's pro bono activities shall be approved by the Superior Court,
 86 the Probate Assembly, or the program for the use of interest on
 87 lawyers' clients' funds accounts. The Judicial Department shall issue
 88 rules to implement the provisions of this subsection.

89 [(i)] (j) The provisions of sections 12-548 to 12-554, inclusive, and
 90 section 12-555a shall apply to the provisions of this section in the same
 91 manner and with the same force and effect as if the language of said
 92 sections 12-548 to 12-554, inclusive, and section 12-555a had been
 93 incorporated in full into this section and had expressly referred to the
 94 tax under this section, except to the extent that any such provision is
 95 inconsistent with a provision of this section.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>July 1, 2008, and applicable to calendar years commencing on or after January 1, 2008</i>	51-81b

Statement of Purpose:

To exempt from the attorney occupational tax (1) attorneys employed by other states who may appear in state courts, and (2) attorneys who have provided 5 hours of pro bono work in a year.

[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]